

COMMERCE AND INDUSTRIES SECRETARIAT

Approves the formation of an Industrial Cadre for the State.

ORDER No. CI 4 SAA 59, DATED BANGALORE, THE 6TH JULY 1959
(ASHADHA 12, SAKA ERA 1881).

The Department of Industries and Commerce in Mysore State, apart from looking to the industrial development and the exploitation of the resources in the State, also manages several industrial concerns. Some of these concerns are entirely owned and managed by the Government, whereas in others Government have some share. The concerns which are being directly managed by the Department normally follow a fixed pattern. The actual day-to-day management of the concerns, is left to an officer variously styled as Manager or General Manager, whereas the more important duties and responsibilities are discharged by the Director or the Additional Director of Industries and Commerce. It is apparent that this arrangement is not conducive to the efficient and profitable working of a business concern. The above arrangement was partly necessitated due to the fact that the Managers of these concerns were not of sufficiently high status and therefore could not be safely entrusted with appreciably higher responsibilities. In most of these cases, the technical personnel working in the factories themselves have been promoted to officiate as General Managers, whereas in others like the REMCO and the Government Electric Factory, Officers of the Electricity Department have been deputed for the purpose. In short, each concern has to find its own personnel from wherever it can manage to get.

2. The Government concerns to be provided with General Managers of a suitable status are as follows:—

- (1) Government Central Industrial Workshop, Bangalore.
- (2) Government Central Workshop, Mercara.
- (3) Government Electric Factory, Bangalore.
- (4) Government Porcelain Factory, Bangalore.
- (5) Mysore Implements Factory, Hassan.
- (6) Government Sandalwood Oil Factory, Mysore.
- (7) Government Sandalwood Oil Factory, Shimoga.
- (8) Government Soap Factory, Bangalore.
- (9) Government Silk Weaving Factory, Mysore.
- (10) Government Silk Filature, Mysore.
- (11) Government Silk Filature, Kamakapura.
- (12) Government Silk Filature, Kollegal.
- (13) Saw Mills, Dandeli.

3. After providing these concerns with General Managers to look after their day-to-day affairs, a new level of authority has to be created in order to take decisions which cannot be delegated to the General Managers but which are too unimportant to be handled by the Board of Management for Industrial Concerns. To entrust the task of managing these concerns to the Director of Industries and Commerce or the Additional Director of Industries and Commerce is basically wrong and is considered not conducive to a businesslike management of the Industrial Concerns. The Director and the Additional Director of Industries and Commerce have therefore to be divested of all responsibility in connection with the day-to-day management and administration of these concerns.

4. Apart from the Industrial Concerns owned by Government, in the following joint stock companies Government has an interest and an officer of the Government occupies the position of Chairman and the Managing Director:—

- (1) The Mysore Chrome Tanning Company, Ltd., Bangalore.
- (2) The Mysore Chemicals and Fertilisers, Ltd., Mysore.
- (3) The Bangalore Ex-servicemen's Transport Co., Ltd., Bangalore.
- (4) The Mysore Lamp Works, Ltd., Bangalore.
- (5) The Mysore Lac and Paint Works, Ltd., Mysore.
- (6) The Radio and Electricals Manufacturing Co., Ltd., Bangalore.
- (7) The Mysore Spun Silk, Mills, Ltd., Channanapatna.
- (8) The Mysore Sugar Company, Ltd., Mandya.
- (9) The Sugar Factory, Pandavapura.
- (10) The Mysore Tobacco Company, Ltd., Bangalore.
- (11) The Mysore Match Company, Ltd., Shimoga.

5. The present system by which the Director or the Additional Director of Industries and Commerce works as the Managing Director of several joint stock companies is not in conformity with the provisions of the Companies Act, 1956 and the Government of India have been pressing to modify it. The law requires that a person should not be the Managing Director of more than two joint stock companies. Moreover he should be a wholetime Managing Director and should not combine that task with that of the Director of Industries, etc. Apart from the legal objection, the arrangement suffers from a serious defect inasmuch as a single individual is called upon to run a large number of industrial concerns.

6. Apart from the management of the industrial concerns, a large number of officers are required by the Industrial Department for administrative duties. A number of these officers are at present drawn from the Mysore Administrative Service, a system which has a few demerits. The management of industrial concerns is more or less a specialised job and an officer with a short tenure in the Department can hardly be expected to acquire the specialised knowledge which is necessary.

7. Looking to all these considerations, Government are pleased to sanction the formation of separate industrial cadre for the management of the industrial concerns and for manning the administrative jobs in the Industries Department. The types of jobs that will be held by the officers of the Industrial Cadre will be as follows:—

(a) Industrial Side

- (1) Managing Directors of the various concerns.
- (2) General Managers.
- (3) Secretaries.
- (4) Sales Managers.
- (5) Purchase Managers.
- (6) Personnel Managers.
- (7) Administrative Officers of Industrial Estates.

(b) Administrative Side

- (1) Joint Directors.
- (2) Deputy Directors.
- (3) Assistant Directors.

8. The Industrial Cadre will consist of officers of three grades:—

Grade

Pay Scale
Rs.

Grade I 800-1,200

Grade II 550-860

Grade III 250-600

Separate orders will issue regarding the number of posts in the various grades.

9. So far as the General Managers are concerned, the following basis may be adopted for fixing their grades:—

- (a) Concerns with an invested capital or annual production not exceeding Rs. 20 lakhs. General Manager, III-Grade.
- (b) Concerns with an invested capital or annual production between Rs. 20 lakhs and Rs. 50 lakhs. General Manager, Grade-II.
- (c) Concerns with an invested capital or annual production exceeding Rs. 50 lakhs. General Manager, Grade-I.

10. The Managing Directors of the concerns will necessarily be officers of the first grade, since they will be exercising the powers now exercised by the Director of Industries and Commerce. As each and every concern cannot afford to have such a high officer as its Managing Director, the Government concerns and the Government-aided joint stock companies will be grouped and given in charge of Managing Directors. The Director of Industries and Commerce is requested to forward suitable proposals in this regard.

11. For the initial formation of the Cadre, the Officers manning the industrial concerns in the various capacities may be screened and those found suitable brought on to the Cadre. Officers working in the Industries Department or have previously worked in the Department on deputation from other Departments will also be considered if they are found suitable for inclusion in the cadre. In future, a liberal direct recruitment to the Industrial Cadre will be made.

12. In view of the creation of an industrial cadre the post of the Additional Director of Industries and Commerce is abolished.

By Order and in the name of the Governor of Mysore,

B. LAKSHMANA RAO,

*Under Secretary to Government,
Commerce and Industries Department.*

Implementation of the Modified Scheme of Rebate on Sales of Handloom Cloth.

READ—

Government Order No. CI 48 RHS 59, dated the 11th May 1959, sanctioning the continuance of the scheme of rebate during the year 1959-60.

2 Letter No. 4(46)-Tex. (C)/59, dated 27-28th June 1959, from the Government of India, Ministry of Commerce and Industry.

ORDER No. CI 48 RHS 59, DATED BANGALORE, THE 8TH JULY 1959

(ASHADHA 17, SAKA ERA 1881).

The Government of India, having carefully considered the question of continuing the scheme of rebate on retail and wholesale sales of handloom cloth in its present form, have decided to introduce certain modifications in the scheme in order to minimise the expenditure on the rebate scheme so that larger sums may be available for other developmental schemes and to plug loopholes which result in abuses.

The State Government have decided to adopt the modified scheme of rebate with effect from 15th July 1959. The modified scheme of rebate which will come into force from 15th July 1959 will entitle the following categories of sales of handloom cloth to the grant of rebate at the rates specified :—

- I. *Retail rebate.*—(1) A rebate at the rate of 6 naye paise in the rupee will be allowed on genuine retail sales of handloom cloth worth Rs. 2 or over (a) from Weavers' Co-operative Societies and/or State-owned depots, and (b) from Consumers' Co-operative Societies which purchase handloom cloth only from Weavers' Co-operative Societies and which deal, so far as cloth business is concerned, only in hand-woven cloth (2) A special additional rebate at the rate of 4 naye paise in the rupee will be allowed on genuine retail sales of handloom cloth for a total period of 15 days in a year for 8 days during the annual Handloom Week Celebrations, and for 7 days on suitable festival occasions to be decided by the State Government with the prior approval of Government of India. Specific orders will be issued for such special rebates in due course.
- II. *Rebate on Wholesale Sales.*—A rebate at the rate of 3 naye paise in the rupee will be allowed on wholesale sales of handloom cloth by Weavers' Co-operative Societies. For this purpose, a wholesale sales will constitute sale of handloom cloth worth Rs. 100 or above at a time in a single transaction.
- III. *Rebate on Export Sales.*—A rebate at the rate of 6 naye paise in the rupee will be admissible to (i) Co-operative Societies or State Trading Organisations on sales for export of handloom cloth purchased from Weavers' Co-operative Societies, and (ii) Co-operative Societies exporting handloom cloth direct.